

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

UNSTARRED QUESTION NO:2067

ANSWERED ON:14.12.2004

DECONTROL PRICE OF UREA

Munshiram Shri ;Shiwankar Shri Maha Deo Rao

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether the IFFCO has requested the Union Government to consider the policy to decontrol price fixation and production of urea more than the installed capacity as reported in the Hindustan dated November 23, 2004;
- (b) if so, the reasons therefore and the reaction of the Government there to;
- (c) the annual demand of the urea in the country at present;
- (d) whether the Government propose to allow sale of urea through international tenders in view of the permission granted to investors regarding quantum of production;
- (e) if so, the details thereof; and
- (f) the present subsidy given by the Government on urea?

Answer

THE MINISTER OF CHEMICALS AND FERTILIZERS & MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a)&(b): IFFCO has sent a discussion paper on urea pricing policy giving its suggestions. As of now, there is no proposal to decontrol price fixation and production of urea more than the installed capacity.

(c): The following table gives the annual demand/consumption of urea from 2000-01 onwards :

Year	Demand/Consumption of Urea (in lakh MTs)
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2000-01	191.86
2001-02	199.17
2002-03	184.93
2003-04	197.67
2004-05 (Estimated)	206.33

(d)&(e) : No, Sir.

(f): The amount of subsidy paid on urea during 2003-04 was Rs. 8521 crore. A budgetary provision of Rs. 8616.15 crore has been made for subsidy on urea during 2004-05.